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SUMMARY RECORD OF THE 39th MEETING

Chairman:	Mr. SENGWE	(Zimbabwe)
later:	Mr. STEIN (Vice-Chairman)	(Germany)
later:	Mr. SENGWE (Chairman)	(Zimbabwe)

Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. MSELLE

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AGENDA ITEM 139: FINANCING OF THE INTERNATIONAL CRIMINAL TRIBUNAL FOR THE PROSECUTION OF PERSONS RESPONSIBLE FOR GENOCIDE AND OTHER SERIOUS VIOLATIONS OF INTERNATIONAL HUMANITARIAN LAW COMMITTED IN THE TERRITORY OF RWANDA AND RWANDAN CITIZENS RESPONSIBLE FOR GENOCIDE AND OTHER SUCH VIOLATIONS COMMITTED IN THE TERRITORY OF NEIGHBOURING STATES BETWEEN 1 JANUARY AND 31 DECEMBER 1994

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ORGANIZATION OF WORK

The meeting was called to order at 10.15 a.m.

AGENDA ITEM 121: UNITED NATIONS COMMON SYSTEM (continued) (A/50/30 and Add.1; A/51/30; E/1993/119 and Add.1; A/C.5/50/23; A/C.5/51/24 and A/C.5/51/25 and Corr.1)

AGENDA ITEM 122: UNITED NATIONS PENSION SYSTEM (continued) (A/51/9 and Corr.1 and A/51/644; A/C.5/51/4)

1. Mr. ACEMAH (Uganda) said that the recommendations submitted by the International Civil Service Commission (ICSC) contained a moderate and reasonable set of measures reflecting the need to maintain an international civil service of the highest standards of efficiency, competence and integrity, while fully respecting the scarcity of resources available.

2. Member States needed and deserved an impartial secretariat of the highest calibre to implement United Nations policies and programmes. The ICSC proposals included a range of measures affecting both General Service and Professional staff which clearly indicated a careful and thorough examination of issues on their technical merits, representing the type of objective consideration which the Commission was established to undertake. The Fifth Committee must exercise self-discipline and resist the temptation to second-guess the Commission on technical questions falling within its competence.

3. The attempt to challenge the base salary proposals for the Professional and higher categories would, if accepted, undercut meaningful application of the Noblemaire principle and further erode the foundation on which an independent and impartial international civil service was established. Delegations were all aware that the current conditions of service had made the international civil service vulnerable, and that as a result some Member States had resorted to the use of supplementary payments. There had also come to be an unacceptable reliance upon gratis personnel.

4. Failure to provide United Nations remuneration which took fully into account the conditions of service of the best paid national civil service would increasingly expose staff to pressure and make it impossible for the Secretary-General to retain staff of the highest standards, as required under the Charter.

5. Suggestions that the ICSC recommendations suffered from technical flaws and that the margin measurement was incorrect were not new, having been made at the previous session. The General Assembly had thus referred the matter back to the Commission for further study. Pursuant to that request by the General Assembly, the Commission had reported fully on the weighting question and the objective criteria used to ensure the appropriateness and representativeness of the data, and had addressed the treatment of bonuses and performance awards.

6. The arguments advanced by the substantial majority within the Commission were cogent and compelling. The margin methodology was both appropriate and technically well-founded, and the Commission had consequently reaffirmed its recommendation to restore the desirable mid-point of 115. There were no technically valid reasons not to adopt that recommendation, in view of which his

delegation was prepared to support the Commission's proposals contained in paragraph 155 of its 1996 report (A/51/30).

7. His delegation's support for those recommendations transcended purely technical arguments, and took account of the broader need to maintain an independent international civil service. It was clear that the Commission had followed the instructions of the General Assembly, in its resolution 47/216, to study all aspects of the application of the Noblemaire principle with a view to ensuring the competitiveness of the common system. The Commission had found that the pay of the Organisation for Economic Cooperation and Development and related organizations exceeded United Nations pay by 50 per cent, that World Bank pay exceeded United Nations pay by 40 per cent, and that one national civil service had net remuneration levels 10 per cent above those of the United States, the current comparator. Were it not for national sensitivities in that matter, the comparator civil service would have been changed. Against that background, the granting of a 4.1 per cent increase would be the least that could be done to ensure that the spirit and letter of the Noblemaire principle were respected.

8. His delegation requested the Secretary-General to find appropriate ways and means to implement the ICSC recommendations, and expressed its support for the work of the Commission and for the common system.

9. Mr. BEL HADJ AMOR (Chairman of the International Civil Service Commission) said that of necessity the Commission exercised a degree of interpretation in reviewing the Assembly's resolutions and decisions particularly when the views expressed by several Member States did not reflect the same intent. The Commission did, however, carefully weigh all views when it addressed the substantive issues on its agenda.

10. The Commission would warmly welcome participation by staff representatives. In that regard, the Coordinating Committee for International Staff Unions and Associations (CCISUA) had made a proposal for the establishment of a tripartite working group, comprising Commission, United Nations Administration and CCISUA members. The Commission would consider the proposal at its next session, and trusted that both CCISUA and the Federation of International Civil Servants' Associations (FICSA) would participate in discussions on that and other issues, including the review of the General Service salary survey methodology.

11. Regarding the decision by the Executive Board of the United Nations Educational, Scientific and Cultural Organization (UNESCO) not to implement the ICSC recommendation for a revised post adjustment classification for Paris, effective 1 May 1996, it must be borne in mind that, while organizations had flexibility within the statutory framework, the General Assembly had expressed its concern in no uncertain terms when organizations had departed from the common system norms with regard to remuneration. It had emphasized that the special needs and concerns of participating organizations should be addressed within the framework of the common system, and had stressed the importance of maintaining a coherent and unified system. ICSC fully subscribed to those views.

12. The Commission's decision regarding the Paris post adjustment was not flawed, either technically or legally, as suggested by UNESCO. The Commission

was fully attuned to the contemporary realities and constraints facing all organizations; it was, however, expected by the Assembly to base its decisions and recommendations on technical considerations. It was ironic that some had accused the Commission of basing its decisions on the resulting financial impact, while UNESCO was accusing it of not being attuned to financial realities. The Commission's partners should make up their minds.

13. With respect to the recommendation for an increase in the base/floor salary scale, such increases were intended to move in lock-step with comparator increases in Washington, D.C. The base/floor salary scale recommended to come into effect on 1 March 1997 was no exception. The current recommendation also addressed two other issues, as specifically requested by the Assembly: the structure of the salary scale, which had some anomalies; and the competitiveness of United Nations common system salary levels.

14. The Commission had conducted a number of studies to determine whether common system salaries were competitive, the results of which had been placed before the Committee in 1995. In addition, the comparator had itself independently conducted a study of common system remuneration levels and those of other international organizations. All those studies had demonstrated that common system salary levels were at a competitive disadvantage, and it was for that reason that the Commission had recommended a real salary increase in its 1995 report, and again in 1996.

15. It was clear from comments in the Committee that there was a degree of misunderstanding regarding the nature of the recommendation as it related to three aspects of the scale, namely: the reflection of comparator increases in Washington, scale restructuring proposals, and a real salary increase. The three aspects, while interlinked, should be viewed independently.

16. Regarding comparator increases in Washington, it should be emphasized that the recommended effective date of the base/floor salary scale, as in the past, represented a time lag vis-à-vis the comparator's increases, namely 14 months in the case of the latest comparator increase in January 1995, and 26 months in the case of the prior increase in January 1995, since the Assembly had not acted upon the Commission's 1995 recommendation. The currently recommended scale simply incorporated two comparator increases already granted.

17. The scale restructuring exercise could only take place in the context of a real salary increase. If it was still believed that the scale required some correction, then a 1 per cent average increase, targeted at levels with anomalies, needed to be granted.

18. As for the 3.1 per cent across-the-board salary increase, at a time when United Nations common system organizations were being asked to do more with fewer staff the competitiveness of common system salary levels became an even more important issue.

19. With respect to the impact of the 3.7 per cent November 1996 post adjustment increase in New York on the margin, that impact had already been included in the 109.7 margin reported to the Committee for 1996. It would also have an impact on the margin to be calculated for 1997, as would the 3.3 per cent increase of the comparator in Washington effective January 1997.

20. The Administrative Committee on Coordination (ACC) had emphasized that recruitment and retention difficulties faced by organizations owing to non-competitive remuneration levels. ICSC believed that problems specific to some organizations and occupations might be resolved by the introduction of special occupational rates, and would revert to the matter if the Assembly wished.

21. Regarding the equal weighting methodology, on numerous occasions in the 1980s and 1990s the Commission had been apprised of an ever-growing group of staff in the United States federal civil service paid at salary levels higher than those of the regular federal civil service. Even within the General Schedule, a special pay rates programme had grown from some 11,000 staff in 1977, the last year in which the comparator had been at full pay comparability with its comparator in the United States private sector, to well over 200,000 in the early 1990s. Numerous positions paid at General Schedule salary levels prior to the late 1980s, and used in margin comparisons, had been moved out of that system and were now remunerated by special pay rates. Those positions represented some of the most populous jobs in the common system, and would be reflected in margin calculations only if United States special pay rates were taken into account.

22. The Commission had examined the issue in 1992, but had refrained from taking action because of the possible implementation of the comparator's Federal Employees Pay Comparability Act (FEPCA) of 1990, designed to close the pay gap between the federal and non-federal sectors, thereby reducing the special pay systems of the comparator. As it had become clear that FEPCA would not be fully implemented, the Commission had decided that the relevant special pay systems of the comparator should be reflected in the net remuneration margin comparisons.

23. Accordingly, the Commission had examined a range of dominance reduction methods, in which the equal weighting method represented a middle-of-the-road approach. The Commission had taken the view that the reduction of dominance was required to unmask the competitivity of comparator salary levels, as reflected in a number of relevant special pay systems. If, as noted, the proportion of staff in those special pay systems was relatively modest vis-à-vis the United States federal civil service, the reality was that their numbers were significant vis-à-vis the size of the common system Professional work force. In reviewing all relevant aspects of the issue, the Commission had considered its decision to be technically sound.

24. With respect to the pensionability of bonus and performance awards in the comparator service, while the majority of such awards were not pensionable, in some instances they were. Whether or not the comparator considered them to be pensionable, the methodology comparing United Nations/United States pensionable remuneration levels and income replacement ratios excluded any non-pensionable amounts. The relationship of pensionable remuneration levels and income replacement ratios between the comparator and the common system had remained stable, as noted in recent reports to the General Assembly.

25. The Commission, in deciding to include bonuses and performance awards, had also excluded awards that were limited to a few comparator staff. For example, in the case of the Senior Executive Service (SES), it had decided to include awards granted to nearly 40 per cent of that Service, but to exclude other

awards applicable to less than 3 per cent. The proportion of SES staff receiving bonuses had remained stable over a number of years, and the Commission had reasoned that where large proportions of staff received annual cash payments it would be a distortion not to include them in net remuneration comparisons.

26. With respect to post adjustment, place-to-place price comparisons were used to establish cost-of-living relativities between duty stations and the base city, New York, at specific dates. Between such comparisons, made very five years between headquarters duty stations and New York and at shorter intervals for field duty stations, the post adjustment index of a duty station was updated for local inflation and exchange rate fluctuations, independently of the New York index. Consequently, adjustments in the post adjustment index of a duty station reflected only what had happened at that duty station in terms of local inflation and movement of the local currency against the United States dollar. Similarly, post adjustment revisions for New York did not affect post adjustment levels at other duty stations and did not result in an across-the-board cost-of-living adjustment at all duty stations. The Secretariat had prepared an explanatory note on the matter.

27. The Commission was continuing to work on the establishment of a single post adjustment for Geneva that would be fully representative of all staff at that duty station. Various technical difficulties had been noted, and the methodology was now being developed to address them.

28. The Commission would be conducting a comprehensive review of the General Service salary methodology in 1997. The comments regarding the overlapping of Professional and General Service salaries had been noted.

29. The Commission's conclusions on the mobility and hardship scheme had been reached after painstaking analysis of various approaches. The Commission had taken the view that some sort of mechanism to keep mobility and hardship allowances current was essential, and had noted that the comparator pegged its equivalent allowance to its own base salary scale. The Commission had concluded that it would be preferable to retain an adjustment mechanism that was transparent and easily understood.

30. Mr. GIERI (Secretary of the United States Joint Staff Pension Board) welcomed the support for the Pension Fund's supplementary budget requests for the biennium 1996-1997; early approval of those additional resources, chargeable exclusively to the Fund, was essential, for the reasons set out in the Pension Board's report. He also welcomed the support for the efforts made by the Commission and the Pension Board to agree on the methodologies for determining the pensionable remuneration of all staff, including the introduction of a common scale of staff assessment for pensionable remuneration purposes. The two bodies had also agreed to recommend continued application of the special index for pensioners, which, he hoped, would receive the support of the Committee. He appealed for early action on those issues, since deferment of decisions would affect the scheduled reviews of other issues, including the review of the salary setting methodologies for General Service staff and the handling of the non-pensionable component.

31. It was also desirable for the administration and staff of the International Tribunal for the Law of the Sea to have an early decision on admission of that

organization to membership in the Fund, effective 1 January 1997. He appealed further for a decision on the Board's recommendations for changes in the pension adjustment system, supported by ACABQ, relating to staff residing in developing countries which had experienced significant changes in the relationship between the local currency and the United States dollar.

32. The observations made regarding survivor's benefits and possible amendments to the regulations providing for suspension of pension benefits when retirees were reemployed for periods of less than six months would be brought to the attention of the Pension Board.

33. Regarding the proposed agreement between the Government of the Russian Federation and the Pension Board, the chronology of developments leading to the adoption of a step-by-step approach, rather than awaiting a possible comprehensive agreement, had been presented in the Board's report and in statements to the Committee. It would not be appropriate to comment on the views expressed in the Fifth Committee on the legal and financial obligations of the Russian Federation with respect to former participants who were citizens of Ukraine, Belarus and other States which had been part of the Soviet Union. While all monies remitted by the Fund under the three transfer agreements had gone to the Social Security Fund of the former Soviet Union, differences of views among the States concerned over the disposition of those monies could not be resolved by the Fund's secretariat or by the Board.

34. As to the suggestion that the Secretary and the Board should not have accepted the step-by-step approach covering at the outset only Russian citizens, all negotiations involved elements of judgment. If the Committee were unable to give concurrence to the proposed agreement, preferring further efforts to negotiate a comprehensive solution, the question would arise as to the future role, if any, of the Pension Board and its secretariat in such endeavours. It was for the Member States concerned to make the commitment to assist the former participants who were nationals of their countries to receive some benefit for their years of participation in the Fund. They must resolve their differences regarding the payment of the necessary monies. The Fund remained ready to assist by providing the administrative facility for the determination and payment of such benefits, but it could not bear the cost of any such measures. It must be candidly recognized that if those matters could not be resolved by the States concerned, there could not be any solution, either step by step or comprehensive, now or in the future. Those observations were also relevant to the questions raised by the representative of Latvia.

35. Lastly, he hoped that it would be possible to have a resolution on the pension system in 1996. Should any issue need to be deferred, it should not result in delays in decisions on other matters.

36. Mr. BOND (United States of America) reiterated his delegation's view that, had the margin been computed using the approved methodology, it would have stood at 114.7.

37. Mr. BLUKIS (Latvia) said that the Secretary of the Pension Board had not answered the questions raised by his delegation. The Secretary had referred to nationals of countries whereas his delegation had talked about permanent residents. The individuals in Latvia to whom his delegation was referring were,

in the eyes of his Government, stateless individuals. That status confused the picture with regard to their pension rights.

38. Mr. RAGORRI (Colombia) said that the Fifth Committee should at least decide on matters with pressing budgetary implications, regardless of whether it chose to follow the recommendations submitted by ICSC. The directors and staff of the various organizations in the common system could not simply be informed that the Committee had yet again postponed its decision.

39. On the other hand, it was clear that there were problems in the way the common system functioned. Member States should accordingly study the system in depth with a view to reforming it. The necessary time would have to set aside for such a study which would eliminate similar problems in the future.

40. Mr. GODA (Japan) said that, since the General Assembly bore ultimate responsibility for the common system, it was incumbent on the Fifth Committee to make a pronouncement on the question of conditions of service by the end of the year. In addition, the Chairman of ICSC should confirm the validity of the assertion made by the United States delegation.

41. Mr. BEL HADJ AMOR (Chairman, International Civil Service Commission) confirmed that, if Member States chose to reject the Commission's recommendations and continue using the existing methodology, the margin would be close to 115.

AGENDA ITEM 137: FINANCING OF THE INTERNATIONAL TRIBUNAL FOR THE PROSECUTION OF PERSONS RESPONSIBLE FOR SERIOUS VIOLATIONS OF INTERNATIONAL HUMANITARIAN LAW COMMITTED IN THE TERRITORY OF THE FORMER YUGOSLAVIA SINCE 1991 (A/51/7/Add.5; A/C.5/51/30)

AGENDA ITEM 139: FINANCING OF THE INTERNATIONAL CRIMINAL TRIBUNAL FOR THE PROSECUTION OF PERSONS RESPONSIBLE FOR GENOCIDE AND OTHER SERIOUS VIOLATIONS OF INTERNATIONAL HUMANITARIAN LAW COMMITTED IN THE TERRITORY OF RWANDA AND RWANDAN CITIZENS RESPONSIBLE FOR GENOCIDE AND OTHER SUCH VIOLATIONS COMMITTED IN THE TERRITORY OF NEIGHBOURING STATES BETWEEN 1 JANUARY AND 31 DECEMBER 1994 (A/51/7/Add.5; A/C.5/51/29)

42. Mr. TAKASU (Controller), introducing the reports of the Secretary-General on the financing of the International Tribunal for the former Yugoslavia and the International Tribunal for Rwanda, said that, in both cases, taking account of the ongoing study conducted by the Office of Internal Oversight Services (OIOS) and mindful of the issue of gratis personnel, the Secretary-General had submitted cost estimates on the basis of the current level of maintenance. Posts that had been approved in 1996 therefore had to be annualized. The cost estimate also included a minimum additional requirement for 1997, on the understanding that any additional requirement arising out of OIOS recommendations or General Assembly guidelines regarding gratis personnel would be submitted in a revised estimate early the following year. The amount of resources requested for the period from 1 January to 31 December 1997 was $53,475,800 net ($58,863,500 gross) in the case of the former Yugoslavia Tribunal, and $46,732,700 net ($51,415,200 gross) in the case of the Rwanda Tribunal.

43. The report on the financing of the Rwanda Tribunal took into account the fact that there had been one-time expenditures during 1996. The documents currently before the Committee contained preliminary cost estimates, and any additional element or modification would be provided in the revised estimates due early in 1997. However, the timely submission of those revised estimates was itself dependent on the early availability of the OIOS report and any other additional information.

44. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions), introducing the Advisory Committee's report on the financing of the two Tribunals, said that the Advisory Committee had modified the Secretary-General's maintenance budget request by refusing to approve an additional 36 posts for the former Yugoslavia Tribunal and an additional 21 posts for the Rwanda Tribunal. The Advisory Committee had not made a pronouncement on whether or not to approve the proposed posts; all relevant proposals should be submitted in the context of the revised budgets due in early 1997. Accordingly, the Advisory Committee had recommended that requirements for 1997 would amount to $47,377,100 gross ($42,293,800 net) for the former Yugoslavia Tribunal and $46,229,900 gross ($41,742,200 net) for the Rwanda Tribunal. The Advisory Committee had made that recommendation for the whole of 1997 since the revised estimates were unlikely to result in a lower figure.

45. With regard to the assessment, the unencumbered balance of $12 million in the case of the former Yugoslavia Tribunal and $5 million in the case of the Rwanda Tribunal should be taken into account. In submitting his revised estimates, the Secretary-General should ensure compliance with the Advisory Committee's recommendations. He should also bear in mind that the terms of office of some of the former Yugoslavia Tribunal's judges would expire in 1997 and some of them might not seek reappointment. Finally, he should clarify his intention to redeploy certain authorized posts in the staffing table among the various organizational units of the Rwanda Tribunal in order to meet urgent requirements.

46. The Advisory Committee had not had sufficient time to study the Secretary-General's recent report on gratis personnel provided by Governments and other entities. It therefore intended to consider the matter in early 1997 and make recommendations in the light of that report.

47. Mr. Stein (Germany), Vice-Chairman, took the Chair.

48. Mr. MENKVELD (Netherlands) said that the General Assembly had requested the Secretariat to submit the Secretary-General's reports on the two Tribunals no later than 1 November 1996. The Secretariat had failed to provide the relevant documents before the deadline and had not provided an explanation for the delay.

49. Mr. TAKASU (Controller) said that the General Assembly had requested the Office of Internal Oversight Services to make a study of the two Tribunals. The Secretary-General had wished to incorporate OIOS findings in his cost estimates, but unfortunately the OIOS investigation had been so long in getting started that it had not proved possible to do so. The delay caused by waiting for the OIOS study had in turn caused a delay in the submission of the Secretary-General's reports.

AGENDA ITEM 123: FINANCING OF THE UNITED NATIONS PEACEKEEPING FORCES IN THE MIDDLE EAST: (continued)

(a) UNITED NATIONS DISENGAGEMENT OBSERVER FORCE (A/C.5/51/L.14) (continued)

(b) UNITED NATIONS INTERIM FORCE IN LEBANON (A/C.5/51/L.15) (continued)

Draft decisions A/C.5/51/L.14 and L.15

50. Mr. BLUKIS (Latvia), introducing draft decisions A/C.5/51/L.14 and L.15, said that they envisaged a combined reimbursement of $12 million to Member States, to be offset against future apportionments in the case of Member States which had fulfilled their financial obligations to the Mission, and against their share of the unencumbered balance in the case of Member States which had not fulfilled their obligations.

51. He also wished to remind the Secretariat that it had undertaken to provide a written response in connection with the two peacekeeping operations under consideration, but no such response had been received.

52. Mr. HOSANG (Director, Peace-keeping Financing Division) said that paragraph 9 of the Advisory Committee's report A/51/684 indicated that the Advisory Committee believed that the budgets of both Missions were understated by amounts charged to the regular budget in relation to the United Nations Truce Supervision Organization (UNTSO). The Secretary-General had been requested to submit proposals to the General Assembly on how to deal with the situation. The Secretariat fully intended to review the matter and to submit whatever proposals the Secretary-General thought necessary in the context of the next budget for the United Nations Disengagement Observer Force (UNDOF) and the United Nations Interim Force in Lebanon (UNIFIL). It was still unclear whether, in order for those proposals to be submitted, the Security Council would have to review the Missions' mandates. If that was the case, certain problems might arise because UNIFIL was the only Mission whose mandate was scheduled for review by Security Council.

53. Mr. NAJEM (Lebanon) said that the Security Council had nothing to do with the Advisory Committee's request contained in paragraph 9 of document A/51/684. That request was a purely technical measure designed to ensure that the Secretary-General explained the financial procedures observed in international organizations regarding the transfer of sums and elements to UNTSO from the regular budget in order to finance its short-term activities with UNDOF and UNIFIL, while simultaneously enabling him to request a mandate from the General Assembly.

54. Mr. GRANT (United States of America) said that his delegation had noted certain problems raised by the OIOS report in relation to UNDOF personnel and procurement practices. The Secretariat had provided some answers, but more information was needed. His delegation was anxious to find out what was currently being done to address all the concerns raised by OIOS.

55. Draft decisions A/C.5/51/L.14 and L.15 were adopted.

56. Mr. SULAIMAN (Syrian Arab Republic), explaining his position on the decisions that had just been adopted, said that if they had been put to a vote, his delegation would have voted against them. The costs of UNDOF and UNIFIL should be borne exclusively by the State whose aggressive behaviour had led to the deployment of the Missions in the first place, namely Israel.

57. Mr. MIRMOHAMMAD (Islamic Republic of Iran), explaining his position on the decisions that had just been adopted, said that if they had been put to a vote, his delegation would have abstained. The costs of UNDOF and UNIFIL should be borne by the aggressor State, namely Israel.

AGENDA ITEM 125: FINANCING OF THE ACTIVITIES FROM SECURITY COUNCIL RESOLUTION 687 (1991): (continued)

(a) UNITED NATIONS IRAQ-KUWAIT OBSERVER MISSION (continued) (A/C.5/51/L.16)

Draft decision A/C.5/51/L.16

58. Draft decision A/C.5/51/L.16 was adopted.

59. Mr. GRANT (United States of America), explaining his position on the decision that had just been adopted, said that his delegation was concerned by some of the findings of the OIOS report, in particular the overpayment of mission subsistence allowance in the United Nations Iraq-Kuwait Observer Mission (UNIKOM). The Secretariat had provided some information on the measures it had taken to recover those funds, and further updates were required on a regular basis.

AGENDA ITEM 116: PROGRAMME BUDGET FOR THE BIENNIUM 1996-1997 (continued)

Programme budget implications of draft resolution A/51/L.18 concerning agenda item 40 (A/C.5/51/32)

60. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that the Secretary-General had enumerated the paragraphs of draft resolution A/51/L.18 which gave rise to budgetary implications in paragraph 1 of his statement contained in document A/C.5/51/32. The additional requirements were explained in paragraphs 4-10 of the statement, where it was indicated that the staff resources previously authorized by the General Assembly for 1996 would be continued in 1997. The estimated requirements, including travel and staff assessment, amounted to $391,900. There was no possibility of absorbing those amounts and, moreover, the amounts were not covered by the procedure for the operation and use of the contingency fund. The Secretary-General had therefore requested an additional amount of $391,900 under section 3 of the programme budget for the biennium 1996-1997. An additional appropriation of $60,600 would also be required under section 32, to be offset by the same amount under income section 1.

61. The Advisory Committee had recommended that the Fifth Committee should inform the General Assembly that, if it adopted the draft resolution contained in document A/51/L.18, additional appropriations would be required of up to $331,300 under section 3 and $60,000 under section 32, offset by the same amount

under income section 1. However, additional assessment would be considered by the General Assembly in the context of its consideration of the first performance report for the biennium 1996-1997.

62. Mr. Sengwe (Zimbabwe) resumed the Chair.

63. Mr. KELLER (United States of America) recalled that, at the previous regular session, the Fifth Committee had been asked to approve a budgetary supplement of $320,300 under section 3 of the 1996-1997 programme budget. He was therefore surprised that additional funding was being requested again. He asked whether the programmes in question were expected to terminate by the end of 1996, and whether that explained why the supplement approved previously had been adequate only for a single calendar year. Moreover, he understood that the current request was time-limited, and asked when the work in Guatemala and the subprogramme on El Salvador would be completed. He noted that the work relating to El Salvador was to be done at Headquarters during the latter part of 1997, and asked whether the amount budgeted for that part of the subprogramme had been adjusted downward accordingly. It seemed that the figure of $331,300 represented projected funding beyond the needs of the missions. Moreover, the Committee had not yet received additional funding requests from the Mission for the Verification of the Agreements on Human Rights and of Compliance with the Commitments of the Comprehensive Agreement on Human Rights in Guatemala (MINUGUA), the follow-up to the United Nations Office of Verification in El Salvador (ONUV) or the Haiti mission. The current request should be reviewed in the context of those other requests, which would be much larger.

64. Ms. INCERA (Costa Rica), speaking on behalf of the Group of 77 and China, said that the procedure established in General Assembly resolution 41/213 in relation to new mandates applied to the item under consideration, and that she supported the Advisory Committee's proposal.

65. Mr. KELLY (Ireland) and Ms. PEÑA (Mexico) said that they also agreed with the Advisory Committee's comments and recommendations.

66. Mr. TAKASU (Controller) said that the General Assembly was about to take action on draft resolution A/51/L.18, which requested the Secretary-General to maintain his efforts to promote the pacification process and the consolidation of peace in Central America. To fulfil that mandate, the Secretary-General would need a minimum staff of two political officers and one General Service staff member to continue to support his good offices in Guatemala and El Salvador, which were still needed in the peace process. With respect to the timing of the request, the General Assembly was being asked to earmark funds only for 1997, since the posts in question were funded on an annual basis.

67. The CHAIRMAN suggested that, on the basis of the Advisory Committee's recommendations, the Fifth Committee should inform the General Assembly that, should it adopt draft resolution A/51/L.18, an additional requirement of $331,300 would arise under section 3 of the programme budget for the biennium 1996-1997; that an additional requirement of $60,600 would also arise under section 32, Staff assessment, offset by the same amount under income section 1, Income from staff assessment; and that such additional appropriations as might be required would be considered by the General Assembly in the context of the first performance report on the programme budget for the biennium 1996-1997.

68. Mr. KELLER (United States of America) said that the request for funding should be taken up in the context of the additional requests from MINUGUA, the follow-up to ONUV and the Haiti mission, and requested that a decision on the issue should be delayed until he had consulted with his Government.

69. Ms. PEÑA (Mexico) recalled that, according to its procedures, the General Assembly could not take decisions in its plenary meetings until the Fifth Committee had reported to it on the financial implications of draft resolutions. She wondered what procedure should be followed in the current situation and when the General Assembly was to take a decision on the draft resolution under consideration. Specifically, she wondered whether the Committee's difficulties in taking decisions would affect the Assembly's programme of work.

70. Mr. KELLY (Ireland) said that the position of the United States delegation did not appear to conflict with the Advisory Committee's recommendations. In adopting the decision, the Committee would merely acknowledge the need for additional appropriations; the question of apportionment would be considered in the light of the first performance report.

71. The CHAIRMAN said, in response to the Mexican delegation's question, that the General Assembly was scheduled to take a decision on the matter the following day.

72. Mr. KELLER (United States of America) said that he did not wish to delay the work of the Committee, but that it should take his delegation's concerns into account by postponing a decision on the issue.

73. The CHAIRMAN asked the United States delegation to reconsider its position in the light of the Irish delegation's clarification, since a delay in the Committee's work would entail a delay in the General Assembly's work.

74. Mr. KELLER (United States of America) said that if the Chairman wished to take a decision immediately, his delegation would have to oppose the financial implications of draft resolution A/51/L.18.

75. The CHAIRMAN said that, if he heard no other objections, he would take it that the Committee adopted the decision as suggested by the Chairman.

76. It was so decided.

Request for a subvention to the United Nations Institute for Disarmament Research (A/C.5/51/33)

77. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that the subvention requested for 1996-1997 had already been included in the budget. At its preceding session, the General Assembly had authorized a subvention for 1996; at its current session, it was being asked to approve an amount of $213,000. The Advisory Committee recommended that the Fifth Committee should approve the request.

78. Mr. KELLER(United States of America) said that the report of the Secretary-General on the funding of regional institutes from the regular budget of the United Nations (A/C.5/50/33) had provided useful guidance on the issue

under consideration. Specifically, it had stated that activities to be funded from the regular budget should not be entrusted to bodies outside the Secretariat. Consequently, if the requested subvention was provided, those funds should be administered by the Secretariat. Moreover, the Secretary-General had indicated that such bodies should be created only if there was a viable and adequate source of financing outside the regular budget. In the light of those considerations, he proposed that UNIDIR should be weaned from the subventions provided from the regular budget. Although it would be good management practice to discontinue the subvention entirely, he would agree, in a spirit of compromise, to reduce the subvention for 1997 by 50 per cent, to $106,500. That amount, in turn, should be reduced by an equivalent amount in the 1998-1999 budget, so that the subvention would be eliminated entirely by the end of 1998. That would give UNIDIR enough time to plan alternative financing strategies. That course of action would be in keeping with the Secretary-General's position and would be fair to all concerned.

79. Ms. RODRÍGUEZ ABASCAL (Cuba) drew attention to paragraph 3 of the note by the Secretary-General (A/C.5/51/33), which indicated that the subvention had already been reduced by $7,000, based on the Institute's own analysis of its needs. The basis on which the United States delegation was proposing further reductions was unclear. She therefore could not support that proposal, and felt that the Fifth Committee should approve the Advisory Committee's recommendation.

80. Ms. PEÑA (Mexico) said that she agreed with the Advisory Committee's comments and recommendations.

81. The CHAIRMAN said that he understood the concerns expressed by the United States delegation, but that the subvention had already been included in the budget. The Fifth Committee should therefore approve the Advisory Committee's recommendation.

82. Mr. KELLER (United States of America) said that he would like to explain his position in more detail during informal consultations. His intention was to address a policy issue that arose every year: the unsound practice of providing subventions to institutes which were outside the direct administrative control of the Secretariat. Since his delegation's views had been disregarded in the adoption of the previous decision, he hoped that they would be taken into account in the context of the current decision.

83. Ms. RODRÍGUEZ ABASCAL (Cuba) said that the United States delegation should specify why it was proposing a 50 per cent reduction of an item which had already been budgeted, and why it felt that an amount of $106,500 would be sufficient to meet the needs of UNIDIR.

84. The CHAIRMAN said that the matter would be discussed in informal consultations.

Programme budget implications of the draft resolution submitted to the General Assembly for adoption by the Third Committee in its report contained in document A/51/611 concerning agenda item 102 (A/C.5/51/36)

85. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that part IV, paragraph 2, of the draft resolution on

international action to combat drug use and illicit production and trafficking, contained in the relevant report of the Third Committee (A/51/611), provided for the convening of a special session of the General Assembly to consider the issue, and that paragraph 7 invited the Commission on Narcotic Drugs to take appropriate measures to prepare for the special session. In his statement (A/C.5/51/36), the Secretary-General had proposed the holding of six expert group meetings (one on demand reduction, two on judicial cooperation, one on prevention of action against money laundering and two on alternative development and its role in the eradication of illicit cultivation) and one intergovernmental open-ended working group meeting, as well as the hiring of consultancy services for the working group and for the expert group meetings on alternative development. The resource requirements for the expert group meetings would amount to $529,500 for 1997. For 1998, the Secretary-General had proposed the holding of two more expert group meetings and one intergovernmental open-ended working group meeting. The resource requirements for those expert group meetings would amount to $272,300.

86. The Advisory Committee noted that those expert group meetings had not been specifically referred to in the draft resolution; part IV, paragraph 7, mentioned only "the possibility of establishing working groups", which seemed to relate to intergovernmental working groups of the Commission on Narcotic Drugs and not to the expert groups. The Advisory Committee had been informed that the expert group meetings and the subjects to be covered had been proposed by the United Nations International Drug Control Programme (UNDCP), but the criteria for the establishment and composition of the expert groups were not clearly explained in the Secretary-General's statement.

87. Because of time constraints, the Advisory Committee had been unable to verify whether the Commission on Narcotic Drugs and the Economic and Social Council had been informed of the establishment of the expert groups, or what action, if any, they had taken in that regard. Part II, paragraph 5, of the report of the Third Committee (A/51/611) indicated that that Committee had considered the Secretary-General's statement (A/C.3/51/L.22) on the programme budget implications of the draft resolution at its thirty-fifth meeting, and the Advisory Committee understood that concerns had been raised at that meeting about the inclusion, in the statement, of references to expert group meetings which were not called for in the draft resolution. Moreover, the Advisory Committee felt that the structure of the preparatory process was too elaborate; for example, the expert group on demand reduction was to report to the Commission on Narcotic Drugs not directly, but through an open-ended working group of the Commission. The Advisory Committee recommended that the possibility of streamlining the preparatory process should be explored with a view to achieving economies and enhancing the intergovernmental nature of the preparatory process, and that the status of the expert groups should be clarified by the General Assembly before the start of that process.

88. On the basis of the assumptions outlined in paragraphs 4 to 9 of his statement (A/C.5/51/36), the Secretary-General estimated that an amount of $976,500 would arise under section 14 (International drug control) and $106,500, under section 26E (Conference-servicing) in 1997. The estimates for 1998 were $528,600 under section 14 and $307,100 under section 26E. Out of the total requirement for 1997, $372,100 would be met from within the existing regular budget and $313,900, from extrabudgetary resources. Although UNDCP had not yet

received any earmarked voluntary funding for the preparation of the special session, several countries had indicated a willingness to provide such contributions.

89. In document A/C.5/50/57/Add.1, the Secretary-General had proposed a reduction of $1,034,800 from section 14 of the programme budget from 1996-1997, including the deferral of one out of three expert group meetings on the commentary to the 1988 Convention. However, in paragraph 9 (c) of document A/C.5/51/36, the Secretary-General proposed to delete a second expert group meeting, but to add two more expert group meetings, thus bringing the total back to three. The Secretary-General's statement should have been more transparent with respect to the provision of comprehensive information on the resources to be absorbed within the existing regular budget. In future proposals, he should indicate the total number of outputs to be deleted, modified or deferred and new ones to be financed from redeployed resources, and should indicate whether the intergovernmental body concerned had taken a specific decision on the activities to be modified, deferred or deleted.

90. In the light of those observations, the Advisory Committee recommended that the Fifth Committee should inform the General Assembly that, should it adopt the draft resolution contained in the report of the Third Committee (A/51/611), additional requirements of $976,500 would arise under section 14 in 1997. Of that amount, $372,100 could be met from redeployment of existing regular budget resources, and $313,900 from extrabudgetary resources. The balance of $290,500 would be subject to the procedures governing the contingency fund. In addition, the Advisory Committee recommended that conference-servicing costs under section 26E should be treated in the manner indicated in paragraph 18 of the Secretary-General's statement.

91. Ms. PEÑA (Mexico) said that her delegation agreed with many of the Advisory Committee's comments on the excessive expenditure which was apparent in the programme budget implications under consideration. Since the draft resolution did not specifically refer to expert group meetings, the Committee should consider that there was no legislative mandate for them and should inform the General Assembly that, should it adopt the draft resolution, the costs of implementation would amount to $447,000. That figure reflected the subtraction of the costs pertaining to the ad hoc expert group meetings.

92. With respect to the indication that, for 1997, the ad hoc expert group meetings would cost $529,500, she asked whether that figure included the costs of conference services and consultants. If that was not the case, she proposed that the cost of implementing the resolution should be further reduced by those amounts.

93. Mr. RAGORRI (Colombia) said that paragraphs 7 and 8 of the proposed draft resolution dealt with two totally different matters. Paragraph 7 addressed the working groups of the Commission on Narcotic Drugs, and referred to the way in which the Commission had always operated; those working groups should not at all be considered "expert groups". Moreover, the inputs mentioned in paragraph 8 were totally unrelated to the work of the Commission on Narcotic Drugs. Member States would provide not only financial input but input into the discussion, through high-level governmental expert groups convened by individual Governments on their own initiative. Such bodies were not in any way to be considered

intergovernmental. Aside from that clarification, his delegation fully shared the view expressed by ACABQ. It also agreed with the representative of Mexico that no legislative mandate had been established for the creation of expert groups; therefore, the expenditures relating to the work of such groups should be eliminated from the statement of programme budget implications.

94. Ms. GIOCOCHEA (Cuba) said that her delegation took note of the proposals made by the Secretariat in document A/C.5/51/36 and regretted that the Secretariat had included proposals that departed from the decisions taken by the Third Committee. It seemed to her that the Secretariat was questioning the views of Member States on the value of those meetings.

95. The Secretariat had suggested that some meetings already included in the programme budget should be replaced in order to accommodate the new meetings. She wondered why the Secretariat had not requested additional resources to cover those meetings or eliminated other activities, since it would be possible to redistribute resources. With the regard to the proposal to postpone two of the expert group meetings planned for discussion of the commentary on the 1988 Convention, she wondered if the Secretariat had taken into account its programme impact.

96. The CHAIRMAN proposed that informal consultations should be held on the matter.

97. Ms. SHENWICK (United States of America) suggested that, in the interests of time and as an interim step, the matter could be referred to the Third Committee, which was still in session, and then to ACABQ, if necessary.

98. The CHAIRMAN noted that the Third Committee had already completed its work for the fifty-first session.

99. Mr. HALBWACHS (Director, Budget Division) said that the Commission on Narcotic Drugs would meet as a preparatory body for the Special Session once in 1997 and once in 1998, for two days only on each occasion, which might not allow sufficient time for a thorough review. The rationale for suggesting the establishment of ad hoc expert groups was that such groups could do some work in advance and present it to the Commission when it met as the preparatory committee.

100. In reply to the representative of Cuba regarding the proposed deletion and modification of two expert group meetings, the Secretariat was required to indicate possible measures for absorption of costs in statements of programme budget implications. The capacity to conduct working group meetings was limited; therefore, a total of six working group meetings had been proposed: three to be funded from extrabudgetary resources, two by deferring currently established expert group meetings and one additional meeting for which additional financing would be sought.

101. In reply to the representative of Mexico, the figure of $529,500 represented the cost for all the expert group meetings plus the Open-ended Working Group of the Commission itself.

102. Ms. PEÑA (Mexico) said that the Third Committee had indeed completed its work; the decision of the Fifth Committee on the programme budget implications of that draft resolution was awaited in order for its report to be adopted by the General Assembly. She inquired again whether costs for conference services or other types of costs, for example, consultancy, were included in the figures given the report.

103. Ms. GOICOCHEA (Cuba) asked which specific decision of the General Assembly had required the Secretariat to indicate absorption measures. General Assembly resolution 50/216 took note of the balance of some $19 million remaining in the contingency fund; perhaps that could be used in the current situation. She was concerned that the Secretariat interpretation seemed to depart from the intention of those decisions.

104. Since the Commission on Narcotic Drugs was to serve as the preparatory committee for the Special Session, she inquired as to the programme budget implications of simply extending its session to accommodate the preparatory work, rather than establishing separate working groups. With regard to the limited capacity to provide services to scheduled meetings of working groups, she inquired how many of the meetings of groups of experts as provided for in Programme 13 had actually been held.

105. Mr. RAGORRI (Colombia) inquired what portion of the sum of $529,500 mentioned in the report was not intended for the expert working groups, which did not have a mandate. He would also be interested in exploring the possibility of extending the sessions of the Commission on Narcotic Drugs.

106. Mr. HALBWACHS (Director, Budget Division) said, in reply to the representative of Mexico, that the figure of $529,500 did not include any costs for conference servicing or consultants.

107. In reply to the representative of Cuba concerning absorption, the statement of programme budget implications before the Committee had been prepared in the traditional manner. The requirement to discuss potential absorption was found in General Assembly resolution 38/227 on programme planning, which had established the format for statements of programme budget implications. With regard to the extension of the session of the Commission on Narcotic Drugs, he would inquire why the Commission itself had not proposed that possibility.

108. Mr. SIAL (Pakistan) said that he supported the suggestion by the Chairman to refer the matter to informal consultations.

109. Ms. PEÑA (Mexico) said that, unfortunately, time constraints did not allow for informal consultations. She proposed that the Fifth Committee should inform the General Assembly that the implementation of the resolution contained in document A/51/611 would have programme budget implications of $447,000, reflecting the suggested elimination of expert group meetings.

110. Mr. KELLY (Ireland), speaking on behalf of the European Union, said that he shared many of the concerns raised. He requested clarification whether, if the amount of resources required was amended, the remaining parts of the decision, in terms of how the additional requirements would be accommodated, would stand.

111. Mr. HALBWACHS (Director, Budget Division) said that the actual amount to be drawn from the contingency fund under the regular budget would be $222,100.

112. Mr. GRANT (United States of America) said it was not clear how that figure had been arrived at, since it seemed to him that there should be a surplus.

113. The CHAIRMAN suggested that, since the Committee had agreed in principle on the reductions proposed, the text of the decision with the revised figures could be circulated at the next meeting for adoption.

ORGANIZATION OF WORK

114. The CHAIRMAN said that the performance report and budget outline had been scheduled for consideration at the current meeting, but must be postponed because of technical difficulties with the submission of the reports of ACABQ. Therefore, he proposed that, at the next meeting, the budget outline for 1998-1999 should be considered.

115. Ms. GOICOCHEA (Cuba) expressed concern that an unfortunate precedent was being established by departing from the approved programme of work.

The meeting rose at 1.25 p.m.